

BANK INDONESIA REGULATION
NUMBER 7/16/PBI/2005
CONCERNING
SAFE DEPOSIT OF SECURITIES, IMPORTANT DOCUMENTS, AND
VALUABLES AT BANK INDONESIA

THE GOVERNOR OF BANK INDONESIA,

Considering :

- a. whereas Bank Indonesia conducts activities in the safe deposit of securities, important documents, and valuables with the objective of expediting the tasks of Bank Indonesia;
- b. whereas to improve the effective and efficient operation of safe deposit activities at Bank Indonesia, Bank Indonesia deems it necessary to enact new provisions concerning the types of safe deposits, eligible parties, and the safe deposit mechanism at Bank Indonesia.
- c. now therefore in regard to the above letter a and letter b, it is deemed necessary to enact improved provisions concerning the safe deposit of securities, important documents, and valuables at Bank Indonesia in a Bank Indonesia Regulation;

In view of : Act Number 23 of 1999 concerning Bank Indonesia (State Gazette of the Republic of Indonesia Number 66 of 1999, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as amended by Act Number 3 of 2004 (State Gazette of the Republic of Indonesia Number 7 of 2004, Supplement to the State Gazette of the Republic of Indonesia Number 4357);

HAS DECREED ...

HAS DECREED:

To enact: THE BANK INDONESIA REGULATION CONCERNING SAFE DEPOSIT OF SECURITIES, IMPORTANT DOCUMENTS, AND VALUABLES AT BANK INDONESIA.

Article 1

The terminology used in this regulation has the following meanings:

1. “Safe Deposits” are the physical property of certain parties designated by Bank Indonesia that are deposited with and administered at Bank Indonesia.
2. “Safe Deposit Users” are certain parties designated by Bank Indonesia and eligible to place safe deposits with Bank Indonesia.
3. “Securities” are securities in physical form (notes) with monetary value, negotiable on the money market and/or capital market.
4. “Important Documents” are documents of value to the Safe Deposit User and not negotiable on the money market and/or capital market.
5. “Valuables” are money and goods that in the estimation of the Safe Deposit User have high sale value.

Article 2

- (1) Bank Indonesia may accept Safe Deposits from Safe Deposit Users.
- (2) Safe Deposits as referred to in paragraph (1) shall consist of:
 - a. Securities, including but not limited to stocks and bonds;
 - b. Important Documents, including but not limited to land ownership titles and contracts;

c. Valuables ...

- c. Valuables, including but not limited to money whether in Rupiahs and foreign currencies, gold bullion, platinum, and precious stones.
- (3) Safe Deposits as referred to in paragraph (1) must be related to:
- a. the expeditious operation of Bank Indonesia tasks in relation to monetary policy; or
 - b. seizure by investigative authorities and/or order of confiscation by a court of first instance in criminal, civil, or state administrative proceedings in the handling of a case with wide-ranging impact.
- (4) Safe Deposits as referred to in paragraph (1) shall not consist of Safe Deposits deemed to be dangerous or prohibited by the Government or applicable laws and regulations.

Article 3

Safe Deposit Users as referred to in Article 2 paragraph (1) shall consist of:

- a. Ministerial institutions, whether line ministries or statutory agencies;
- b. The National Police, Attorney-General's Office, Anti-Corruption Commission, and other agencies with investigative powers vested by laws;
- c. Court of first instance;
- d. Provincial and regency/municipal governments.

Article 4

- (1) Bank Indonesia shall accept Safe Deposits as referred to in Article 2 paragraph (1) pursuant to written application from the Safe Deposit User.
- (2) Bank Indonesia may reject any application for safe deposit as referred to in paragraph (1) if failing to meet the criteria referred to in Article 2

paragraph ...

paragraph (2), paragraph (3), paragraph (4), and Article 3, and for other considerations.

Article 5

- (1) Safe Deposit Users may determine the term of a safe deposit at Bank Indonesia.
- (2) The term of a safe deposit as referred to in paragraph (1) shall be set at no more than 12 (twelve) months commencing from the date of safe deposit.
- (3) The term of a safe deposit as referred to in paragraph (1) and paragraph (2) may be extended no more than 12 (twelve) months commencing from the Safe Deposit collection date.
- (4) The term of a safe deposit for Securities may be adjusted to a maximum of the term of the Securities concerned.

Article 6

- (1) A Safe Deposit User shall extend the term of a safe deposit as referred to in Article 5 paragraph (3) by submitting a written application to Bank Indonesia.
- (2) Bank Indonesia may accept or reject an application for term extension of safe deposit as referred to in paragraph (1).

Article 7

- (1) Overdue Safe Deposits must be collected by the Safe Deposit User.
- (2) A Safe Deposit User may collect a Safe Deposit prior to the collection date by submitting a written application to Bank Indonesia.

Article 8

- (1) Bank Indonesia may terminate the operation of a safe deposit by reason of certain considerations.
- (2) If Bank Indonesia terminates the operation of a safe deposit as referred to in paragraph (1), the Safe Deposit must be collected by the Safe Deposit User.

Article 9

- (1) The scope of Administration of Safe Deposits at Bank Indonesia covers receipt, safekeeping, and handover of Safe Deposits.
- (2) For the purpose of administration of Safe Deposits as referred to in paragraph (1), Bank Indonesia shall issue the following:
 - a. Deposit Slip (BDS) as evidence of receipt of a Safe Deposit at Bank Indonesia;
 - b. Collection Slip (BPS) as evidence of handover of the Safe Deposit by Bank Indonesia.

Article 10

- (1) Bank Indonesia shall issue a replacement BDS in lieu of a lost or damaged BDS upon written application by a Safe Deposit User.
- (2) Bank Indonesia may reject an application for replacement of a lost or damaged BDS.
- (3) A BDS reported lost or damaged shall be declared no longer valid after issuance of a replacement BDS.

Article 11

Bank Indonesia shall not charge fees for Safe Deposits administered at Bank Indonesia.

Article 12

- (1) Bank Indonesia shall categorize a Safe Deposit as overdue Safe Deposit if:
 - a. the Safe Deposit has reached the collection date and is not collected by the Safe Deposit User; or
 - b. written application by the Safe Deposit User for term extension is received past the collection date of the Safe Deposit; or
 - c. the operation of the Safe Deposit is terminated by Bank Indonesia as referred to in Article 8 paragraph (1) and the Safe Deposit is not collected by the Safe Deposit User.
- (2) If a Safe Deposit is categorized as overdue Safe Deposit as referred to in paragraph (1), the Safe Deposit User must collect the Safe Deposit.
- (3) Bank Indonesia shall inform a Safe Deposit User in writing of the resolution of an overdue Safe Deposit as referred to in paragraph (1).
- (4) If the Safe Deposit User does not respond to written notification as referred to in paragraph (3), Bank Indonesia may turn over the overdue Safe Deposit to the authorities in accordance with the applicable laws and regulations.

Article 13

- (1) The Safe Deposit User shall bear full responsibility for the truthfulness of the amount, content, value, and quality of a Safe Deposit described in a BDS as referred to Article 9 paragraph (2) letter a.

(2) Bank ...

- (2) Bank Indonesia shall be indemnified against all responsibility in the event of loss, damage, deterioration, expiration, or other matters that may arise in respect of a Safe Deposit resulting in loss to the value, quality, and or physical condition of the Safe Deposit.

Article 14

- (1) Bank Indonesia shall resolve the status of safe deposits administered at Bank Indonesia prior to the enactment of this Bank Indonesia Regulation.
- (2) The time frame for resolution of safe deposits as referred to in paragraph (1) shall be no more than 2 (two) years commencing from the enactment of this Bank Indonesia Regulation.
- (3) If a safe deposit as referred to in paragraph (1) is not resolved within the time frame referred to in paragraph (2), Bank Indonesia may turn over the administration of the safe deposit to the competent authority in accordance with the applicable laws and regulations.

Article 15

The regulations for implementation of this Bank Indonesia Regulation shall be stipulated in a Circular Letter of Bank Indonesia.

Article 16

With the enactment of this Bank Indonesia Regulation, Decree of the Board of Managing Directors of Bank Indonesia Number 27/142/KEP/DIR dated February 23, 1995, concerning Safe Deposit of Securities, Important Documents, and Valuables at Bank Indonesia is revoked and declared no longer valid.

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Article 17

This Bank Indonesia Regulation shall come into force on July 1, 2005.

Enacted in Jakarta

Dated July 1, 2005

THE GOVERNOR OF BANK INDONESIA,

BURHANUDDIN ABDULLAH

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 54 OF 2005
DPM

ELUCIDATION
TO
BANK INDONESIA REGULATION
NUMBER: 7/16/PBI/2005
CONCERNING
SAFE DEPOSIT OF SECURITIES, IMPORTANT DOCUMENTS, AND
VALUABLES AT BANK INDONESIA

GENERAL REVIEW

Bank Indonesia conducts activities in the safe deposit of securities, important documents, and valuables with the objective of expediting the tasks of Bank Indonesia. The safe deposit activities conducted to date are regarded as inefficient and ineffective, due to the excessively broad scope of safe deposits and safe deposit users and lack of clarity regarding the safe deposit mechanism.

In this regard and to promote the effective and efficient operation of safe deposit activities at Bank Indonesia, it is deemed necessary to enact improved provisions concerning safe deposit of securities, important documents, and valuables at Bank Indonesia as stipulated in Decree of the Board of Managing Directors of Bank Indonesia Number 27/142/KEP/DIR dated February 23, 1995.

ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Paragraph (1)

Self-explanatory.

Paragraph (2) ...

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

“Precious stones” include but are not limited to diamonds and gemstones.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

“Case with wide-ranging impact” is defined as including but not limited to case that may have regional or national impact.

Paragraph (4)

“Safe deposits deemed dangerous or prohibited by the Government or applicable laws and regulations” are defined as including but not limited to firearms, ammunition, explosives, chemicals, sharp or pointed weapons, narcotics, and psychotropic drugs.

Article 3

Letter a

“Ministerial institutions, whether line ministries or statutory agencies” are defined as central and regional level institutions, but not including state owned and regional government enterprises.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d ...

Letter d

Self-explanatory.

Article 4

Paragraph (1)

Self-explanatory.

Paragraph (2)

“Other considerations” are defined as including but not limited to limits on the capacity of the safe deposit vault at Bank Indonesia.

Article 5

Self-explanatory.

Article 6

Paragraph (1)

Self-explanatory.

Paragraph (2)

Rejection of application for extension of safe deposit shall be issued for reasons that include but are not limited to limits on the capacity of the safe deposit vault at Bank Indonesia and/or application submitted by the Safe Deposit User past the Safe Deposit collection date.

Article 7

Paragraph (1)

“Overdue Safe Deposits” are Safe Deposits held past the Safe Deposit collection date.

Paragraph (2)

Self-explanatory.

Article 8

Paragraph (1)

“Certain considerations” are defined as including but not limited to limits on the capacity of the safe deposit vault at Bank Indonesia.

Paragraph (2)

Self-explanatory.

Article 9

Paragraph (1)

“Handover of Safe Deposits” is defined as including the resolution of overdue Safe Deposits.

Paragraph (2)

Self-explanatory.

Article 10

Paragraph (1)

Self-explanatory.

Paragraph (2)

An application may be rejected for reasons that include but are not limited to discrepancies between the data in the application and the data stated in the BDS administered at Bank Indonesia.

Paragraph (3)

Self-explanatory.

Article 11

Self-explanatory.

Article 12

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3) ...

Paragraph (3)

Self-explanatory.

Paragraph (4)

The process for resolution of overdue Safe Deposits turned over to the authorities shall thereafter constitute the responsibility of the competent authority in accordance with applicable laws and regulations.

Article 13

Self-explanatory.

Article 14

Paragraph (1)

“Safe deposit” is defined as safe deposit as defined in Decree of the Board of Managing Directors of Bank Indonesia Number 27/142/KEP/DIR dated February 23, 1995, concerning Safe Deposit of Securities, Important Documents, and Valuables at Bank Indonesia.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 15

Self-explanatory.

Article 16

Self-explanatory.

Article 17

Self-explanatory.